

Manufacturing of Firearms

Below are examples of operations performed on firearms and guidance as to whether or not such operations would be considered manufacturing under the Gun Control Act (GCA). These examples do not address the question of whether the operations are considered manufacturing for purposes of determining excise tax. Any questions concerning the payment of excise tax should be directed to the Alcohol and Tobacco Tax and Trade Bureau, U.S. Department of the Treasury.

Generally, a person should obtain a license as a manufacturer of firearms if the person is: 1. performing operations which create firearms or alter firearms (in the case of alterations, the work is not being performed at the request of customers, rather the person who is altering the firearms is purchasing them, making the changes, and then reselling them), 2. is performing the operations as a regular course of business or trade, and 3. is performing the operations for the purpose of sale or distribution of the firearms.

- 1. A company produces a quantity of firearm frames or receivers for sale to customers who will assemble firearms.**

The company is engaged in the business of manufacturing firearms and should be licensed as a manufacturer of firearms.

- 2. A company produces frames or receivers for another company that assembles and sells the firearms.**

Both companies are engaged in the business of manufacturing firearms and each should be licensed as a manufacturer of firearms.

- 3. A company provides frames to a subcontractor company that performs machining operations on the frames and returns the frames to the original company which assembles and sells the completed firearms.**

Both companies are engaged in the business of manufacturing firearms and should be licensed as manufacturers of firearms.

- 4. A company produces barrels for firearms and sells the barrels to another company that assembles and sells complete firearms.**

Because barrels are not firearms, the company that manufactures the barrels is not a manufacturer of firearms. The company that assembles and sells the firearms should be licensed as a manufacturer of firearms.

- 5. A company receives firearm frames from individual customers, attaches stocks and barrels and returns the firearms to the customers for the customers' personal use.**

The operations performed on the firearms were not for the purpose of sale or distribution. The company should be licensed as a dealer or gunsmith, not as a manufacturer of firearms.

- 6. A company acquires one receiver, assembles one firearm, and sells the firearm.**

The company is not manufacturing firearms as a regular course of trade or business and is not engaged in the business of manufacturing firearms. This company does not need to be licensed as a manufacturer.

- 7. An individual acquires frames or receivers and assembles firearms for his personal use, not for sale or distribution.**

The individual is not manufacturing firearms for sale or distribution and is not required to be a licensed manufacturer.

- 8. A gunsmith regularly buys military type firearms, Mausers etc., and "sporterizes" them for resale.**

The gunsmith is in the business of manufacturing firearms and should be licensed as a manufacturer.

- 9. A gunsmith buys semiautomatic pistols or revolvers and modifies the slides to accept new Style f sights. The sights are not usually sold with these firearms and do not attach to the existing mounting openings. The gunsmith offers these firearms for sale.**

This would be considered the manufacturing of firearms and the gunsmith should be licensed as a manufacturer.

- 10. A gunsmith buys government model pistols and installs "drop-in" precision trigger parts or other "drop-in parts" for the purpose of resale.**

This would be considered the manufacturing of firearms, as the gunsmith is purchasing the firearms, modifying the firearms and selling them. The gunsmith should be licensed as a manufacturer.

- 11. A gunsmith buys surplus military rifles, bends the bolts to accept a scope, and then drills the receivers for a scope base. The gunsmith offers these firearms for sale.**

This would be considered the manufacturing of firearms and the gunsmith should be licensed as a manufacturer.

- 12. A gunsmith buys surplus military rifles or pistols and removes the stocks, adds new stocks or pistol grips, cleans the firearms, then sends the firearms to a separate contractor for bluing. These firearms are then sold to the public.**

This would be considered manufacturing of firearms and the gunsmith should be licensed as a manufacturer.

- 13. A company purchases surplus firearms, cleans the firearms then offers them for sale to the public.**

The company does not need to be licensed as a manufacturer.